Utah Labor Market Report

July 1991
Volume 1, No. 7

Seasonally Adjusted Unemployment Rates

Source: Utah Department of Employment Security, Labor Market Information Services.

Utah unemployment rose again in July—Is there still room for economic optimism?

Two months of higher joblessness do not a recession make. Utah still stands on firm economic ground and should see declining unemployment within a few months.

Unemployment in Utah rose once again in July from 5.0 percent to 5.2 percent. Just as in June—new entrants and re-entrants to the labor market proved to be the primary cause of higher employment in the State. Although Utah has seen a number of layoffs and job growth has slowed somewhat, people joining the Utah labor force for the first time or after an absence are providing the primary thrust for higher joblessness. All our "good press" may be enticing people from within and without the State to look for work here in the Beehive State.

Approximately 42,200 Utahns were out-of-work during July—9,400 more than in July of 1990. Even with the recent rise in Utah unemployment and the unexpected decline in national unemployment, Utah's jobless rate still falls more than a point and a half below the national average of 6.8 percent.

The national economy is officially in "recovery," but the recession and defense-spending cuts are having a lagging effect on Utah jobs. That doesn't mean that Utah is facing its own downturn—just that job growth isn't quite as strong as it has been in previous months.

Utah nonfarm employment has grown roughly 3.4 percent since July of last year. The addition of 24,300 new Utah jobs is truly extraordinary compared to employment losses nationally. Although the State isn't adding jobs quite as rapidly as it was during 1990 and the first part of 1991, Utah should weather this economic storm well. After all, 3.4 percent growth about

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THE RATE *(Seasonally Adjusted)*

Jul 1991	Utah	5.2%	U.S.	6.8%
Jun 1991	Utah	5.0%	U.S.	7.0%
Jul 1990	Utah	4.1%	U.S.	5.3%

NONFARM JOBS *(% change from a year ago)*

Jul 1991	Utah	3.4%	U.S.	-1.3%

CPI-U *(Base Year 1982-84 = 100)*

Jun 1991	U.S.	136.0	Yr-over chng	4.7%

PPI *(Base Year 1982-84 = 100)*

Jun 1991	U.S.	116.3	Yr-over chng	1.7%

equals Utah's average annual job growth over the long run.

True to past experience, manufacturing and mining have been hardest hit by the national downturn. Utah mining employment is down 2 percent, while the manufacturing industry produced job growth of less than 1 percent over the past 12 months. Employment in several areas actually declined. However, Utah manufacturing is still keeping its employment head above water. In fact, until the last few months, manufacturing has managed moderate growth, while national manufacturing declined.

The other major goods-producing player which usually suffers in a recession is still growing strong. Construction employment is up more than 5 percent from July 1991—a gain of 1,600 net new jobs. Strong growth in both residential and nonresidential building has kept this sector on the upward track.

Services remained immune to the economic malaise. This sector is up 7 percent from last year. Its 12,100 new positions make up one-half of the total new Utah jobs. Computer, business, and engineer/management services all registered year-to-year expansion greater than 10 percent.

Trade and finance/insurance/real estate exhibited moderate growth in the 3 percent range. Combined, wholesale and retail trade created 4,900 additional jobs. Banks and their kin have lost 200 jobs during the past 12 months, but growth in other finance/insurance/real estate sectors resulted in a net expansion of 1,100 jobs for the total industry.

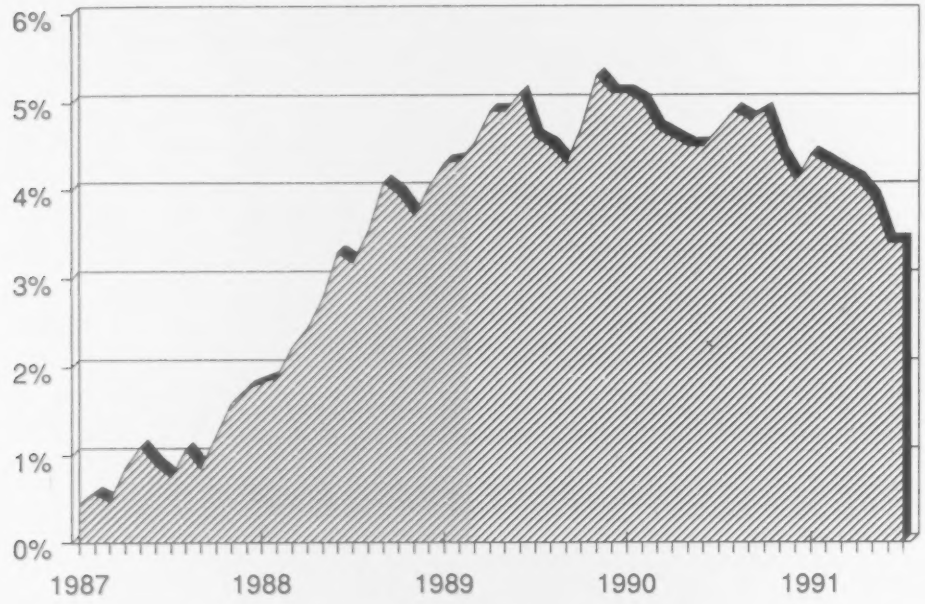
Government job growth continued to be impeded by federal defense cuts. However, state and local government's job growth gave the public sector a July 1990 to July 1991 growth rate of 2.5 percent. Transportation/communications/utilities managed year-to-year growth of just less than 2 percent.

While Utah has been grazed by the national recession, she has not been dealt a staggering blow. In fact, unemployment should start moving down again this fall. And, as the nation regains her economic feet, Utah job growth should once again gradually pick up.❐

Lecia Parks Langston
Chief Economist

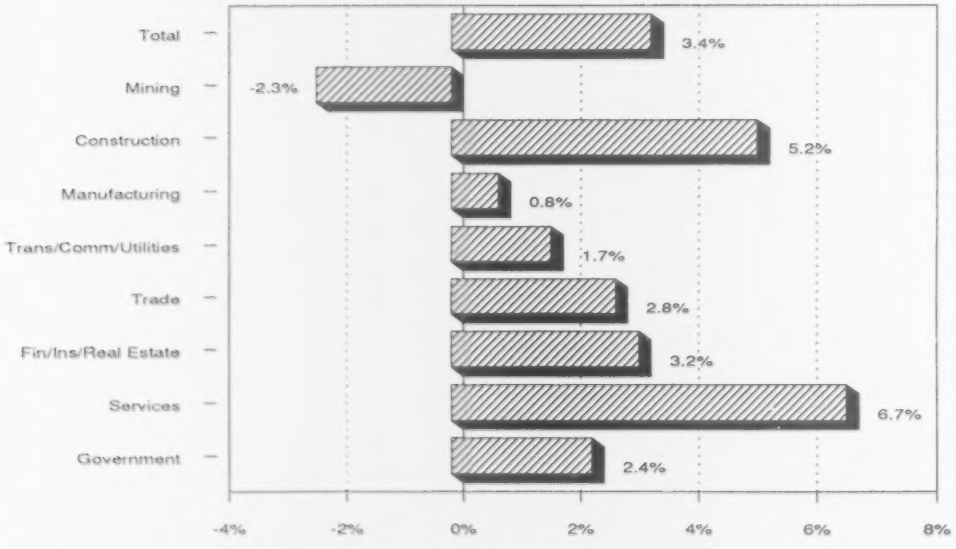
- ***Utah's unemployment rate rose two-tenths of a percentage point to 5.2 percent.***
- ***As in June, the increase in joblessness came primarily from a dramatic increase in the number of individuals who entered the labor force—not layoffs.***
- ***The Utah jobless rate still registers significantly below the national average.***
- ***Nonfarm job growth continued strong with a 3.4 percent, 24,300 job gain between July 1990 and July 1991.***
- ***As the nation recovers, Utah unemployment should start declining in the fall.***

Year-Over Percent Change in Utah Nonfarm Jobs



Source: Utah Department of Employment Security, Labor Market Information Services.

July 1990-91 Percent Growth In Utah Nonfarm Jobs by Industry



Source: Utah Department of Employment Security, Labor Market Information Services.

RAW

Table 1. Utah Civilian Labor Force and Nonagricultural Jobs, Not Seasonally Adjusted *(Numbers in Thousands)*

	Jul 1991(r)	Jul 1990	Percent Change	Jun 1991(p)	May 1991(r)
CIVILIAN LABOR FORCE	**812.5**	**797.1**	**1.9**	**805.8**	**804.8**
Employed	**770.1**	**764.2**	**0.8**	**765.8**	**766.8**
Unemployed	**42.4**	**32.9**	**28.9**	**40.0**	**38.0**
Percent of Labor Force	5.2	4.1	—	5.0	4.7
NONAGRICULTURAL JOBS	**742.0**	**717.7**	**3.4**	**754.0**	**748.9**
Mining	**8.5**	**8.7**	**-2.3**	**8.4**	**8.7**
Metal Mining	3.1	3.2	-3.2	3.0	3.0
Bituminous Coal Mining	2.3	2.5	-7.7	2.4	2.6
Oil/Gas Extraction & Quarrying*	3.1	3.0	3.4	3.0	3.1
Contract Construction	**32.0**	**30.4**	**5.2**	**30.5**	**29.5**
Manufacturing	**108.2**	**107.3**	**0.8**	**108.7**	**108.3**
Durable Goods	72.0	71.3	1.0	71.8	71.8
Primary Metals	*6.0*	*5.9*	*1.7*	*6.0*	*6.0*
Fabricated Metals, Machinery, & Computers	*14.0*	*14.3*	*-2.1*	*14.0*	*14.1*
Electrical/Electric Equipment (ex. Computers)	*11.1*	*11.8*	*-5.9*	*11.3*	*11.4*
Transportation Equipment	*17.6*	*17.7*	*-0.6*	*17.5*	*17.5*
*Lumber/Furniture,Stone/Clay/Glass**	*10.7*	*10.8*	*-0.9*	*10.5*	*10.3*
*Other Durable Goods**	*12.4*	*10.7*	*15.7*	*12.5*	*12.5*
Nondurable Goods	36.3	36.0	0.8	36.9	36.5
Food & Related Products	*12.0*	*12.0*	*0.0*	*12.1*	*11.9*
*Other Nondurable Goods**	*24.3*	*24.0*	*1.2*	*24.8*	*24.6*
Transportation, Communications, & Utilities	**43.0**	**42.3**	**1.7**	**42.9**	**42.6**
Railroad Transportation	2.6	2.4	8.3	2.6	2.6
Trucking & Warehousing	15.6	15.0	3.9	15.8	15.6
Transportation by Air*	6.8	7.0	-2.9	6.8	6.7
Other Transportation & Related Services*	3.6	3.2	13.8	3.3	3.3
Communications	7.1	7.0	1.4	7.1	7.1
Electric, Gas, & Sanitary Services	7.3	7.7	-5.2	7.3	7.3
Trade	**177.2**	**172.3**	**2.8**	**178.3**	**175.9**
Wholesale Trade	39.9	39.0	2.3	39.4	38.8
*Durable Goods**	*23.3*	*23.0*	*1.3*	*23.0*	*22.5*
*Nondurable Goods**	*16.6*	*16.0*	*3.8*	*16.4*	*16.3*
Retail Trade	137.3	133.3	3.0	138.9	137.1
Food Stores	*24.4*	*24.3*	*0.4*	*24.6*	*24.3*
Auto Dealers/Parts Stores, & Gas Stations	*16.4*	*16.3*	*0.6*	*16.4*	*16.3*
Eating & Drinking Places	*45.3*	*43.6*	*3.8*	*46.0*	*45.5*
*Home Furniture/Equipment & Clothing Stores**	*12.1*	*11.1*	*8.8*	*12.3*	*11.9*
*Gen. Merchandise/Building & Garden Supply**	*21.1*	*21.5*	*-1.8*	*21.5*	*21.1*
Miscellaneous Retail	*17.9*	*16.4*	*9.0*	*18.1*	*18.0*
Finance, Insurance, & Real Estate	**35.2**	**34.1**	**3.2**	**35.3**	**34.9**
Depository Institutions*	12.9	13.1	-1.5	13.2	13.1
Other Finance/Insurance/Real Estate*	22.3	21.0	6.3	22.1	21.8
Services	**193.0**	**180.9**	**6.7**	**192.8**	**189.4**
Hotels & Lodging Places	12.7	12.3	3.2	12.9	12.6
Personal, Amusement & Recreational*	19.5	18.2	7.1	19.5	18.6
Computer-Related*	9.5	8.5	12.2	9.2	9.2
Other Business Services*	31.7	28.8	10.0	32.0	31.6
Auto Repair/Rental/Parking*	7.4	6.9	7.4	7.3	7.2
Health	48.5	46.1	5.2	48.2	47.6
Education/Social & Membership Organizations*	35.8	34.7	3.2	35.7	35.3
Legal & Miscellaneous Services	4.9	4.8	2.0	5.0	4.8
Engineering, Accounting, & Related*	16.0	14.3	11.8	16.1	15.9
Other Repair/Ag. Services & Museums, etc.*	7.0	6.3	11.3	6.9	6.6
Government	**145.2**	**141.8**	**2.4**	**157.1**	**159.6**
Federal Government	39.6	41.4	-4.3	40.	39.0
*Other Federal**	*20.2*	*19.7*	*2.5*	*20.6*	*20.6*
State Government	42.1	39.9	5.6	43.5	44.9
*State Education**	*21.8*	*20.5*	*6.4*	*25.2*	*25.1*
*Other State**	*20.3*	*19.4*	*4.6*	*20.3*	*19.8*
Local Government	63.4	60.6	4.5	73.6	74.8
*Public School Districts**	*36.2*	*34.2*	*5.8*	*47.4*	*49.3*
*Other Local**	*27.0*	*26.4*	*2.3*	*26.2*	*25.5*

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics (BLS). NOTE: Forecast data and cells marked by an asterisk (*) are not sanctioned by BLS.

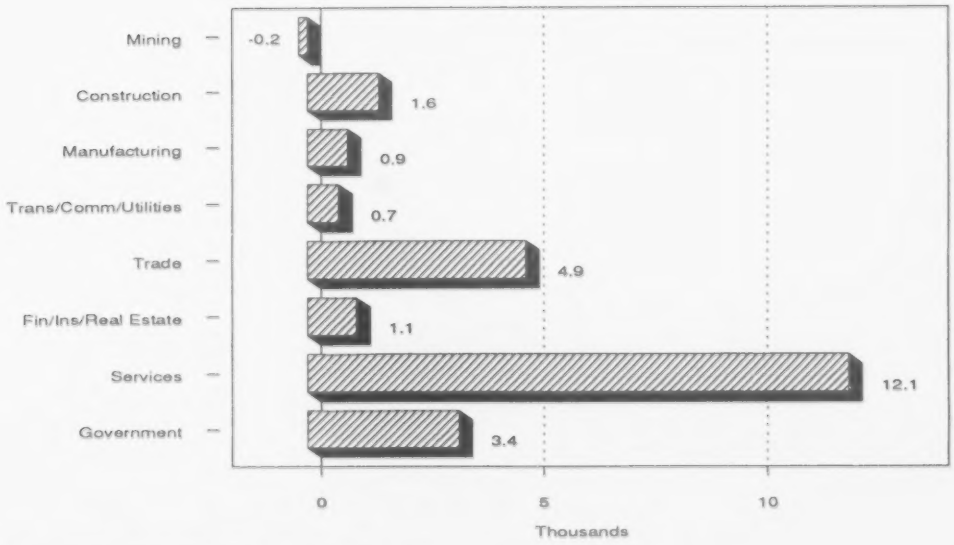
ADJUSTED

Table 2. Utah Civilian Labor Force and Nonagricultural Jobs Seasonally Adjusted *(Numbers in Thousands)*

	Jul 19901(r)	Jul 1990	Percent Change	Jun 1991(p)	May 1991(r)
CIVILIAN LABOR FORCE	**806.1**	**790.7**	**1.9**	**802.1**	**812.0**
Employed	**763.9**	**757.9**	**0.8**	**761.6**	**776.0**
Unemployed	**42.2**	**32.8**	**28.7**	**40.5**	**36.0**
Percent of Labor Force	5.2	4.1	--.--	5.0	4.4
NONAGRICULTURAL JOBS	**746.9**	**722.7**	**3.3**	**752.0**	**750.5**
Mining	**9.0**	**9.2**	**-2.3**	**8.7**	**8.8**
Contract Construction	**29.6**	**28.1**	**5.3**	**28.7**	**29.6**
Manufacturing	**107.9**	**107.0**	**0.8**	**107.9**	**108.5**
Durable Goods	71.5	70.9	0.8	71.1	71.8
Nondurable Goods	36.4	36.1	0.8	36.8	36.7
Trans., Comm., Public Utilities	**42.7**	**42.0**	**1.7**	**42.9**	**42.7**
Trade	**177.0**	**172.3**	**2.7**	**177.8**	**177.2**
Wholesale	39.5	38.6	2.3	39.1	38.9
Retail	137.5	133.7	2.9	138.7	138.3
Finance, Insurance & Real Estate	**35.1**	**34.0**	**3.2**	**35.1**	**34.8**
Services	**193.8**	**181.6**	**6.7**	**193.9**	**193.4**
Government	**151.8**	**148.5**	**2.3**	**157.1**	**155.3**
Federal Government	39.1	40.9	-4.3	39.4	39.4
State Government	45.1	42.8	5.5	44.5	43.6
Local Government	67.6	64.8	4.3	73.2	72.3

Source: Utah Department of Employment Security, Labor Market Information Services.

July 1990-91 Growth in Utah Nonfarm Jobs by Industry



Source: Utah Department of Employment Security, Labor Market Information Services.

Economic Events

Please note: Information contained in Economic Events is obtained from regional newspapers, local Job Service offices, trade publications, clipping services, and local area Chamber of Commerce publications.

- One of Ogden's highest paying employers is closing its doors. Volvo GM Heavy Truck Corporation will be shutting down its Ogden operation by year end. This closing will affect 362 highly skilled workers. The company cites economic conditions as the major factor behind the closing along with the high freight costs associated with this geographic setting.

- Thiokol Corporation announced that it has signed a six-year, $2.6 billion contract with NASA to build rocket motors. The Brigham City-built Thiokol motors will continue to fuel the space shuttle missions. This announcement ensures jobs for 3,700 northern Utahns for most of the decade.

- Jetway Systems, an Ogden-based manufacturer of aircraft passenger boarding bridges, announced that it has won lucrative contracts which will reinstate its workforce back to 1990 levels. Air travel slowdowns attributed to the Gulf War caused first quarter layoffs of 140 employees. New contracts will require the callback of these workers. Contracts include work for the Pittsburgh airport and two airports in Japan.

- The Springville-based Aerotrans Corporation, manufacturer of passenger modules for trains, is expanding its operation in response to a multi-million dollar contract with Amtrak. The expansion will add 80 to 100 workers to the current 70-member staff.❐

Following the State's lead—joblessness rises for most counties

Unemployment rates in most of Utah's counties have increased substantially in the past three months. In fact, over half (16) of the counties' rates now equal or exceed the national average, compared to only seven that did in May. What's happened? Have "hard times" finally caught up with us? No. Although conditions in certain areas have deteriorated in the past few months, most counties' economies remain generally stable.

However, seven counties appear to be mired in their own downturn. Carbon, Emery, Kane, and San Juan have all suffered recent layoffs in key industries; Garfield, Piute, and Wayne have ongoing economic stagnation. These conditions have resulted in a combination of high unemployment rates and low-to-negative year-over job growth.

Leading the list of counties still experiencing strong economic growth are Washington and Utah, with Cache and Salt Lake also in this category. New jobs created by the employers in these four counties comprise 85 percent of the total job growth of the State. The economic strength of these areas is largely responsible for the continuing stamina exhibited by the State.

Iron, Millard, and Rich have impressive statistics, but possess few identifiable developments that typify rapid economic expansion.

The fifteen remaining counties are similar as a group only in that they have higher unemployment and/or

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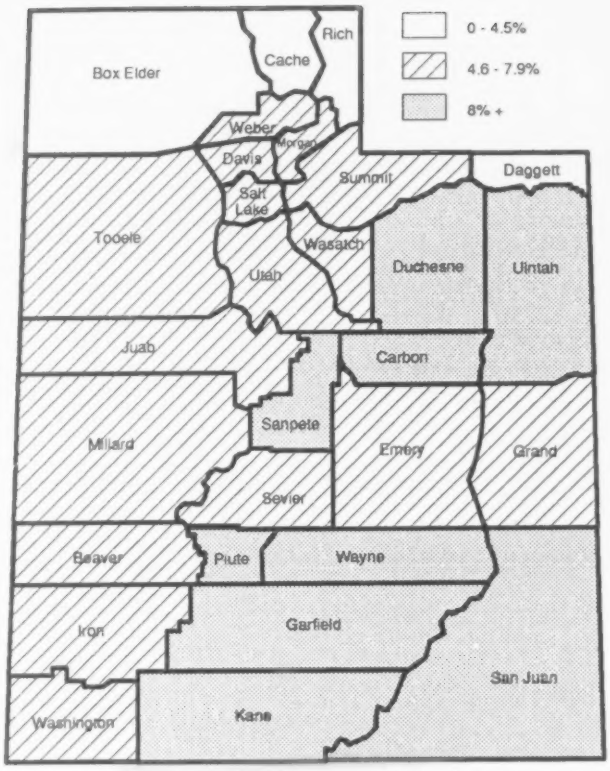

Unemployment Rates July 1991

- ***Over half of Utah's counties currently exhibit unemployment rates equal to or higher than the national average, compared to seven in May.***
- ***Carbon, Emery, Kane, San Juan, Garfield, Piute, and Wayne counties appear mired in their own downturns.***
- ***Washington, Utah, Cache, and Salt Lake counties accounted for 85 percent of total job growth in the State.***
- ***County economies should follow the status quo in the near-term.***

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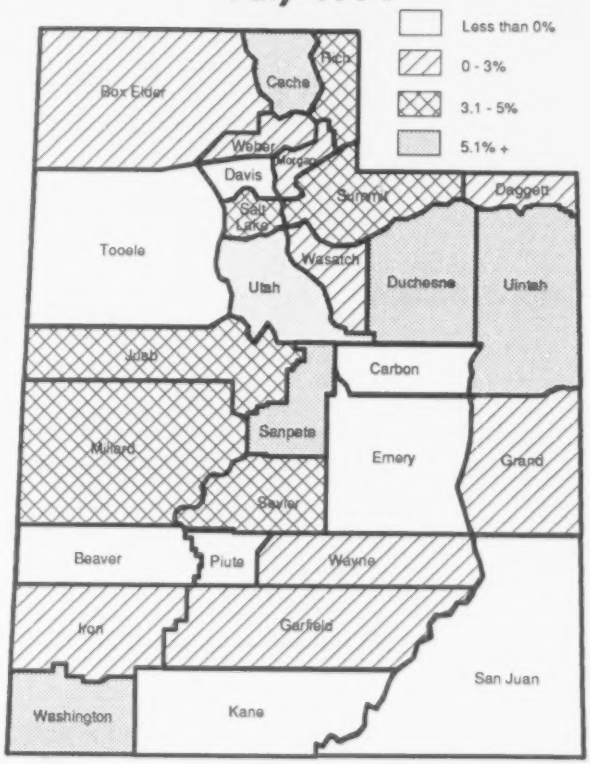
relatively slow job growth. ***Davis and Box Elder, for example, have very solid economies*** with low unemployment rates, but due to temporary setbacks in defense/aerospace industries, have slow job growth. In contrast, Uintah and Duchesne are experiencing rapid employment increases primarily due to oil exploration activities, but are still plagued with high unemployment.

The near-term outlook for Utah's counties? Status-quo. The national recession is not anticipated to have much additional impact on Utah, nor is the national recovery expected to be vigorous. Thus, the forces that are shaping the local economies will continue largely unimpeded.❐

Kenneth E. Jensen
Labor Market Economist

Year-Over Percent Change in Nonfarm Jobs July 1991



Metro Areas

Table 3. Civilian Labor Force and Nonfarm Jobs for SaltLake/Ogden and Provo/Orem Metropolitan Statistical Areas *(Numbers in Thousands)*

	Salt Lake/Ogden					Provo/Orem				
	Jul 1991(f)	Jul 1990	Percent Change	Jun 1991(p)	May 1991(r)	Jul 1991(f)	Jul 1990	Percent Change	Jun 1991(p)	May 1991(r)
CIVILIAN LABOR FORCE	**526.6**	**517.6**	**1.7**	**519.9**	**518.9**	**118.5**	**115.9**	**2.2**	**118.1**	**117.7**
Employed	499.7	496.9	0.6	495.2	495.6	113.1	111.9	1.1	112.7	113.0
Unemployed	26.9	20.7	30.0	24.7	23.3	5.4	4.0	35.0	4.5	4.0
Rate	5.1	4.0	—	4.8	4.5	4.6	3.5	—	4.5	4.0
TOTAL NONFARM JOBS	**507.8**	**494.3**	**2.7**	**514.2**	**509.9**	**96.5**	**90.5**	**6.6**	**98.8**	**97.9**
Mining	2.5	2.9	-13.8	2.5	2.6	--	--	--	--	--
Construction	22.6	21.2	6.6	21.4	20.6	3.4	3.2	6.3	3.3	3.3
Manufacturing	69.7	69.8	-0.1	70.0	69.6	14.1	13.9	1.4	14.2	14.2
Durable	48.6	48.6	0.0	48.4	48.2	8.5	8.7	-2.3	8.5	8.6
Nondurable	21.1	21.2	-0.5	21.6	21.4	5.6	5.2	7.7	5.7	5.6
Trans/Comm/Utilities	33.6	32.9	2.1	33.3	33.1	2.5	2.5	0.0	2.6	2.6
Trade	121.9	121.2	0.6	123.2	121.3	24.0	21.6	11.1	24.0	23.9
Wholesale	31.1	31.2	-0.3	30.8	30.2	5.4	4.5	20.0	5.3	5.3
Retail	90.8	90.0	0.9	92.4	91.1	18.6	17.1	8.8	18.7	18.6
Fin/Ins/Real Estate	29.1	28.1	3.6	29.2	28.9	2.4	2.3	4.3	2.4	2.3
Service	131.9	123.3	7.0	132.3	129.8	36.1	33.8	6.8	36.0	35.6
Government	96.5	94.9	1.7	102.3	104.0	14.0	13.2	6.1	16.3	16.0

Source: Utah Department of Employment Security, Labor Market Information Services.

By County

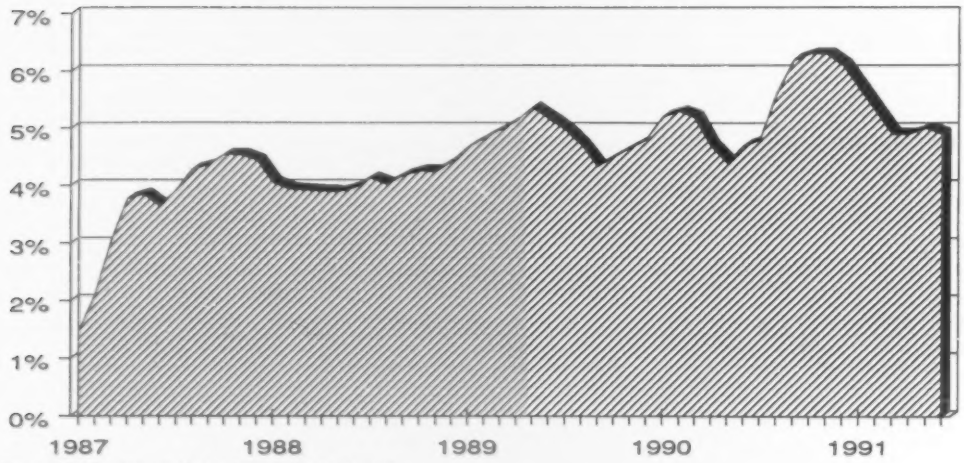
Table 4. Unemployment Rates and Nonfarm Jobs in Utah by County

	Seasonally Adjusted Unemployment Rate				Nonfarm Wage and Salary Jobs				
	Jul 1991(f)	Jun 1991(p)	May 1991(r)	Jul 1990	Jul 1991(f)	Jul 1990	Percent Change	Jun 1991(p)	May 1991(r)
STATE TOTAL	**5.2**	**5.0**	**4.4**	**4.1**	**741,800**	**717,680**	**3.4**	**754,000**	**748,900**
Bear River	**4.2**	**4.4**	**4.6**	**4.2**	**44,110**	**42,030**	**4.9**	**45,580**	**45,860**
Box Elder	4.3	5.2	3.5	4.7	15,570	15,310	1.7	15,520	15,430
Cache	4.2	4.1	5.2	4.0	28,100	26,300	6.8	29,590	30,010
Rich	3.4	3.2	2.1	2.5	440	420	4.8	470	420
Wasatch Front	**5.2**	**4.8**	**4.2**	**4.1**	**519,160**	**506,010**	**2.6**	**525,750**	**521,330**
Wasatch Front North	**5.3**	**5.1**	**4.3**	**4.8**	**129,170**	**127,740**	**1.1**	**131,500**	**131,980**
Davis	4.9	4.7	3.8	4.2	60,730	61,240	-0.8	61,550	61,410
Morgan	7.6	6.4	4.5	5.3	1,030	1,000	3.0	1,050	1,050
Weber	5.6	5.5	4.9	5.4	67,410	65,500	2.9	68,900	69,520
Wasatch Front South	**5.1**	**4.6**	**4.1**	**3.8**	**289,990**	**378,270**	**3.1**	**394,250**	**389,350**
Salt Lake	5.1	4.6	4.1	3.7	379,510	367,510	3.3	383,800	379,040
Tooele	6.0	5.9	4.5	5.6	10,480	10,760	-2.6	10,450	10,310
Mountainland	**4.8**	**4.7**	**4.1**	**3.7**	**106,440**	**100,100**	**6.3**	**108,490**	**107,830**
Summit	6.8	3.0	5.7	5.2	7,240	6,990	3.6	7,150	7,160
Utah	4.6	4.7	3.9	3.5	96,450	90,440	6.6	98,690	98,060
Wasatch	6.9	7.2	6.1	6.0	2,750	2,670	3.0	2,650	2,610
Central	**7.8**	**7.7**	**6.8**	**6.0**	**15,490**	**14,910**	**3.9**	**15,880**	**15,760**
Juab	7.7	6.0	5.1	5.7	1,840	1,770	4.0	1,810	1,840
Millard	4.9	5.2	4.7	3.9	3,580	3,470	3.2	3,640	3,620
Piute	15.4	16.4	15.7	9.8	210	210	0.0	200	190
Sanpete	9.5	9.4	8.4	8.3	4,100	3,879	5.9	4,460	4,440
Sevier	7.9	8.0	6.7	5.1	5,190	5,030	3.2	5,150	5,060
Wayne	9.5	8.0	7.0	7.0	570	560	1.8	620	610
Southwestern	**5.7**	**5.2**	**4.7**	**4.4**	**28,330**	**27,120**	**4.5**	**28,670**	**28,670**
Beaver	4.8	3.3	4.4	5.5	1,360	1,360	0.0	1,350	1,280
Garfield	13.1	15.0	13.3	9.8	1,760	1,720	2.3	1,760	1,700
Iron	5.1	4.2	4.0	3.7	7,670	7,480	2.5	7,940	7,820
Kane	8.1	7.4	7.1	4.7	1,730	1,770	-2.3	1,730	1,710
Washington	5.3	4.8	4.2	4.1	15,810	14,790	6.9	15,890	16,160
Uintah Basin	**8.2**	**7.1**	**6.0**	**6.7**	**11,540**	**10,660**	**8.3**	**12,370**	**11,890**
Daggett	2.2	2.9	1.8	2.4	430	420	2.4	400	340
Duchesne	8.1	9.0	6.5	8.7	3,850	3,630	6.1	3,940	3,870
Uintah	8.6	6.3	6.0	6.0	7,260	6,610	9.8	8,030	7,680
Southeastern	**8.7**	**8.1**	**7.0**	**6.3**	**16,730**	**16,840**	**-0.7**	**17,260**	**17,570**
Carbon	8.6	7.6	5.9	5.7	7,440	7,450	-0.1	7,500	7,710
Emery	7.8	9.3	8.4	5.7	3,490	3,650	-4.4	3,450	3,600
Grand	7.4	7.8	6.3	7.4	2,760	2,680	3.0	2,790	2,680
San Juan	10.8	8.4	8.4	7.4	3,040	3,060	-0.7	3,520	3,580
Salt Lake/Ogden MSA	**5.1**	**4.7**	**4.2**	**4.0**	**507,700**	**494,300**	**2.7**	**514,200**	**510,000**
Provo/Orem MSA	**4.6**	**4.7**	**3.9**	**3.5**	**96,450**	**90,440**	**6.6**	**98,690**	**98,060**

Source: Utah Department of Employment Security, Labor Market Information Services.

Note: Seasonally adjusted unemployment rates should not be used for federal or state funding applications.

Year-over Percent Increase in U.S. Consumer Price Index



Source: U.S. Department of Labor, Bureau of Labor Statistics.

PRICES

Table 5. Current U.S. Price Indexes

	INDEX		% CHANGE FROM	
	Jun 1991	Jun 1990	Prior Year	Prior Month
CONSUMER PRICES (1982-84=100)				
ALL ITEMS (CPI-U[1])	**136.0**	**135.6**	**4.7**	**0.3**
Food and Beverages	137.7	137.3	4.6	0.3
Food at Home	137.4	136.9	4.3	0.4
Housing	133.4	132.8	4.0	0.5
Rent Residential	143.0	142.8	3.7	0.1
Fuel and Other Utilities	115.8	114.2	3.2	1.4
Medical Care	176.2	175.2	8.8	0.6
Apparel and Upkeep	126.9	129.4	2.9	-1.9
Transportation	123.7	123.3	4.7	0.3
Gasoline	100.6	100.2	6.3	0.4
Energy[3]	103.5	102.1	4.0	1.4
PURCHASING POWER OF CONSUMER DOLLAR: (1982-84 = $1.00)	**$0.735**	**$0.737**	**-4.5**	**-0.3**
ALL ITEMS (CPI-W[2])	**134.1**	**133.4**	**4.5**	**0.2**
PRODUCER PRICES (1982 = 100)				
ALL COMMODITIES	**116.3**	**116.5**	**1.7**	**-0.2**
Finished Goods	121.9	121.7	3.5	0.2
Intermediate Materials	114.3	114.1	1.1	0.2
Crude Materials	99.5	102.2	-1.7	-2.6

1 Consumer Price Index—All Urban Consumers.

2 Consumer Price Index—Urban Wage Earners and Clerical Workers.

3 Energy is a special group index consisting of prices paid for the following: fuel oil, coal, bottled gas, electricity, gasoline, and motor oil and coolant. It is not one of the components of the "All Items" as its subcomponents are already included.

Source: U. S. Department of Labor, Bureau of Labor Statisitcs.

Job Service

Table 6. Employment Security Activities in Utah

	Jul 1991(p)	Jul 1990	Percent Change	Jun 1991
Nonfarm Jobs Available	18,649	23,565	-20.9	19,155
New Applications for Jobs	10,288	9,832	4.6	10,562
Total Nonfarm Job Placements	6,582	6,686	-1.6	6,243
Initial Claims	1,401	1,079	29.8	1,074
Weeks Claimed	8,885	7,449	19.3	9,088
Insured Unemployment Rate	1.26	1.11	—	1.33
Benefits Paid (Monthly)	$5,702,295	$4,139,668	37.7	$4,674,165

Note: All claims data include Regular UI, UCFE, and UCX claims only and are listed for the week containing the 15th day of the month.

Source: Utah Department of Employment Security, Labor Market Information Services.

New Data, New Publications

The following data and/or publications are now available:

- ☐ ***Occupations in Demand at Utah Job Service Offices, January-June 1991***
- ☐ **1990 Summary of Nonfarm Jobs and Wages by County and Industry**
- ☐ **Fourth Quarter 1990 Summary of Nonfarm Jobs and Wages by County and Industry**

If you would like to receive copies, please check the desired items and fill in your name and address.

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Mail to: Labor Market Information Services, Utah Department of Employment Security, P.O. Box 11249, Salt Lake City, UT, 84147-0249.

Hours and Earnings

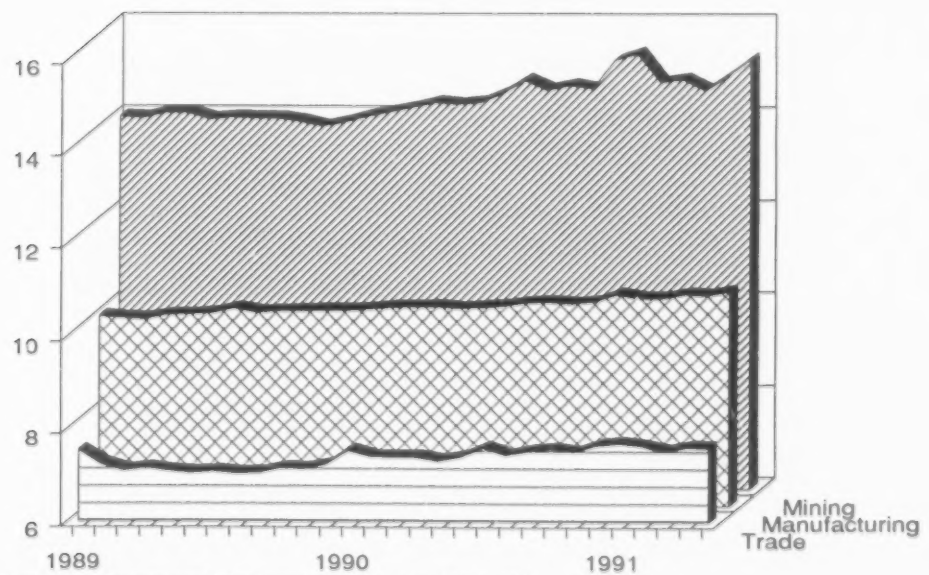
Table 7. Hours and Earnings of Production Workers in Utah

	Average Hourly Earnings				Average Weekly Hours			
	Jun 1991(p)	Jun 1990	% Chng	May 1990(r)	Jun 1991(p)	Jun 1990	% Chng	May 1990(r)
MINING	**15.92**	**14.53**	**11.1**	**14.92**	**43.2**	**42.8**	**1.9**	**44.5**
Metal Mining	13.67	12.35	8.2	13.44	46.9	43.2	2.0	46.2
Bituminous Coal Mining	19.31	18.18	7.6	17.75	40.9	41.1	1.5	44.5
MANUFACTURING	**10.54**	**10.27**	**2.8**	**10.64**	**39.6**	**39.5**	**-0.5**	**39.6**
Durable Goods	10.85	10.51	3.2	10.81	39.7	39.8	-2.2	39.7
Primary Metals	13.41	12.56	4.6	13.11	41.9	38.5	4.2	42.1
Fabricated Metal Prod. and Mach.	10.48	9.91	8.0	10.34	40.1	40.9	-1.0	40.5
Transportation Equipment	13.40	13.36	0.6	13.33	39.5	40.4	-4.6	40.4
Nondurable Goods	9.93	9.79	2.1	10.29	39.6	38.8	3.4	38.3
Food and Kindred Products	8.33	8.70	-3.5	10.29	39.6	39.8	0.3	38.9
TRADE	**7.62**	**7.41**	**4.1**	**7.63**	**28.5**	**29.0**	**0.0**	**28.5**
Wholesale	10.20	10.01	2.9	10.18	37.3	37.2	1.4	37.0
Retail	6.64	6.44	4.6	6.65	26.2	26.9	-0.4	26.2
Food Stores	6.72	5.93	13.5	6.65	26.1	24.9	7.9	26.2
General Merchandise	6.21	6.28	0.0	6.19	26.4	27.8	0.0	25.8

Note: Average hours include hours actually worked or remunerated. Average hourly earnings include incentive and premium pay. Data may be affected by labor disputes.

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Average Hourly Wage for Selected Industries



Source: Utah Department of Employment Security, Labor Market Information Services

The Targeted Jobs Tax Credit Program

This federal program rewards employers with tax creidits if they hire individuals who have typically had a hard time in the labor market.
BUT—
are some employers missing the tax credit boat?

The Targeted Jobs Tax Credit Program appeared in 1978 as part of a package of urban initiatives created by Congress. The intent of the program was to provide incentives—in the form of tax credits—for employers to hire individuals in groups targeted by Congress. These groups have had consistent difficulty in locating and securing employment. The program is currently authorized by Congress through December 31, 1991. Congress normally decides each year to "re-authorize" this program along with other expiring tax provisions.

Savings can be substantial

In 1990, the State of Utah certified 1,460 individuals eligible for the Targeted Jobs Tax Credit Program (TJTC)—an effort that rewarded employers with a potential tax credit reduction of more than $3.5 million. Potential tax savings for 1989 and 1990 together probably exceeded $7.28 million. Each TJTC-certified individual can result in a tax credit savings of $2,400 ($1,200 for economically disadvantaged summer youth) and employers are not restricted as to how many TJTC certified employees they can hire.

The program has been modified many

- *In 1990, 1,460 Utahns were certified under the Targeted Jobs Tax Credit Program for a potential tax credit reduction of $3.5 million.*
- *TJTC provides tax credits to employers hiring individuals from certain "targeted" groups which have typically been at a disadvantage in the labor force.*
- *Employers must request certification of employees in writing.*
- *Job Service determines the eligibility of TJTC employees and can provide forms and information to interested employers.*
- *Several employers have found the program helpful in defraying training expenses.*
- *Many Utah employers have found the investment of time required to participate in the program has been repaid with a substantial tax savings.*

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times in the course of its existence, much to the concern and alarm of those using and administering the program. But, to rephrase Mark Twain's famous comment—reports of its death have been greatly exaggerated.

In providing a brief overview of the TJTC program to those who have not known about it or attempted to use it recently, we hope to make employers more aware of the program's existence, how it is operated in the State of Utah, where they can find answers to their TJTC questions, and where they can obtain current TJTC forms.

The program currently targets nine groups:

- *Handicapped individuals receiving service through the State Division of Vocational Rehabilitation Administration Services or the Veterans Administration Vocational Rehabilitation program.*
- *Economically disadvantaged youth 18 through 22 years of age.*
- *Economically disadvantaged Vietnam-era veterans.*
- *Current recipients of Supplemental Security Income.*
- *Current General Assistance recipients (financial assistance).*
- *Youth, ages 16 through 19, from economically disadvantaged families, who participate in a qualified cooperative education program and who have not graduated from a high school or vocational school.*
- *Current recipients of aid to families with dependent children (AFDC).*
- *Economically disadvantaged ex-offenders (felons) hired no later than five years from the date of their release from prison or date of felony conviction, whichever is more recent.*
- *Economically disadvantaged summer employees, 16 or 17 years old, who begin work for their new employers between May 1 and September 15.*

"Economically Disadvantaged" status is determined by totaling personal plus family income for the six months before the new employee starts work, by doubling the total dollar amount, and then by comparing that amount to the TJTC annual income chart produced by the Department of Labor.

Applicants will be required to provide documentation to establish eligibility in each of the nine categories. Exact eligibility requirements for each category are available from Job Service in the publication, *TJTC Employer Information Packet*, available to employers and others upon request. Call the TJTC Central Unit toll-free, 1-800-277-2857, in Utah.

Sit right down and— Write a letter

Companies using the TJTC program normally screen their new employees (only new, first-time hired employees may be certified, rehired or previous employees are not eligible for TJTC certification) to locate those who may be certifiable. Employers wishing to certify an employee are required to request TJTC certification in writing in a "letter of request" to Job Service postmarked no later than the new employee's first day of work. All requests postmarked after that date, excepting those hired on weekends and legal holidays, will be denied certification. All letters of request

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are required to provide the following information:

- *Employer's name, complete address, and telephone.*
- *Employee's name and correct social security number.*
- *Date of new employee's first day of work.*
- *Company's federal identification number.*
- *Targeted group (A through J) in which the employee may qualify (you may indicate no more than two groups).*
- *A brief statement from the employer that, "a good faith effort has been made to determine that this applicant does belong to the indicated targeted group(s)."*
- *Signature of the employer or his legally designated representative.*

All letters of request should be addressed to:

Job Service
LMI Services—TJTC Unit
P.O. Box 11249
Salt Lake City, UT 84147-0249

The TJTC Central Unit at Job Service has "legally acceptable" letter of request forms available to employers or other interested parties—as supplies permit.

In 1988, utah switched to a "mail-in" system. "Walk-in" interviews for TJTC were discontinued and all determinations of eligibility were handled through the mail, using one centralized location at Job Service in Salt Lake. Since that time, all letters of request have been recorded on computer by the Central TJTC Unit.

Upon receipt of a timely and complete letter of request, employers are mailed a packet containing the Applicant Characteristics Form and other forms and instructions. These forms should be completed and returned to the TJTC Central Unit at Job Service so that a determination of eligibility can be made. Forms must be complete and all requested documentation provided. Incomplete or inaccurate forms will be returned to the employer for completion or will result in a denial of certification.

Employers have become increasingly sensitive to the cost of training new employees. Programs like the Targeted Jobs Tax Credit Program will become even more attractive as they look for creative ways to reduce training expenses.

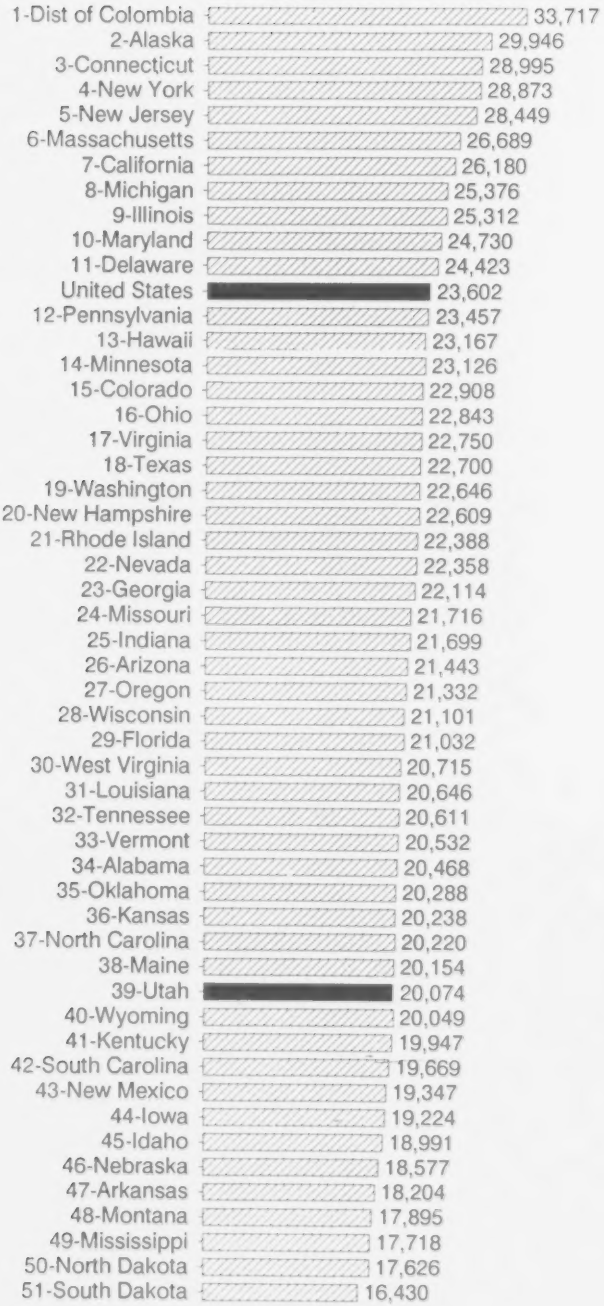
Kelly Johnson, Training Program Coordinator for E.A. Miller, Inc., describes TJTC as "a program that allows us to provide better and even extra training for our employees." Sharon Broadwater, TJTC Representative for Smiths Food and Drug, believes that many employers miss out on the benefits of the TJTC Program since they "mistakenly believe that the tax credits are going to be too hard to get."

The program does require some degree of careful supervision and attention to time and detail. Obviously, some employers are more likely to locate and certify potential applicants than others. But, to many Utah employers the investment of time has been repaid with a substantial tax savings.❐

Steven Opager
TJTC Certification Officer

1990 Average Annual Pay

Of Workers Covered by Unemployment Insurance By State



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Are Utah Wages low?

In 1990, the average wage for Utahns covered by unemployment insurance equaled 85 percent of the national average annual pay. Moreover, when states are ranked by average annual pay, Utah registers number 40. Why is Utah's average pay low in comparison to many other states? Are Utahns really underpaid? A closer look at the facts seems in order. Here are a few points to consider.

- *Utah has the youngest labor force in the country. Not only do we have a relatively high proportion of young people in the population, but a Utah teenager is much more likely to work than the average U.S. youth. Statistics (and casual observation) show that, in general, young people earn less than older people. Since Utah has so many youthful workers, their wages pull the State's average pay down in comparison to other states with a higher percentage of older workers.*

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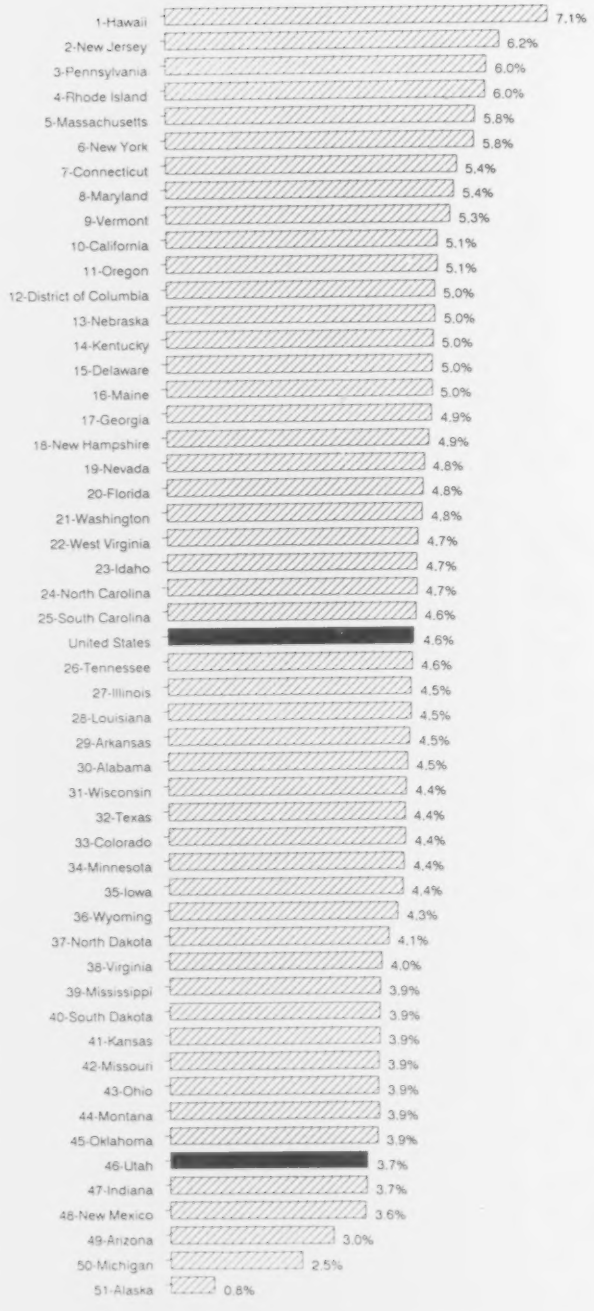
- *Figures for average annual pay include part-time and temporary workers. Utah has a high share of part-time workers—24 percent compared to 19 percent nationally. Part-timers work less than 35 hours a week. Obviously, for the most part, part-timers will earn less than full-timers. So, since such a large share of Utah's labor force works part-time, average wages would logically be lower than those in states with a larger share of the labor force working full-time.*

- *It costs relatively less to live in Utah. Figures from the American Chamber of Commerce Researchers Association consistently indicate that it costs significantly less to live in the Salt Lake and Provo/Orem area than in the average U.S. city. In fact, when figures for wages and cost-of-living are indexed, workers in Salt Lake have more spending power than the average U.S. metropolitan worker.*

The bottom line? When all factors are considered, earnings for Utah workers are better than the aggregate numbers suggest ❐

1989-1990 Change In Average Annual Pay

By State



Source: U.S. Department of Labor, Bureau of Labor Statistics.

We're Moving. . .

The Labor Market Information Services Section of the Utah Department of Employment Security will be moving to a new building early in September of 1991. LMI Services will then be located at ***140 East 300 South****—adjacent to the Heber Wells State Office Building. Please continue to send mail to our current Post Office Box Number.*

Accordingly, phone numbers for LMI staff will be changing. If you need to contact us after our move, please call (801) 536-7800.❐

Did you Know?

In comparison with other states in the nation, Utah ranks:

Number 50 for the percentage of college enrollment that is female.

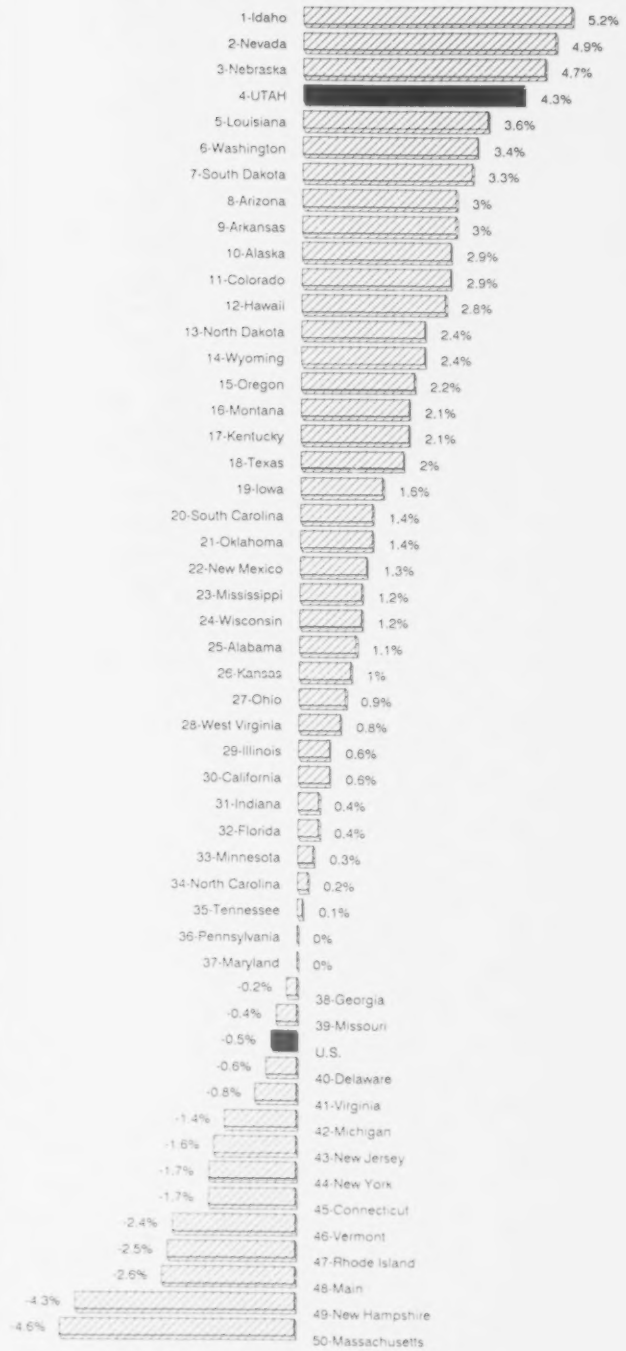
Number 50 in the percentage of 1987 births to unmarried women.

Number 1 in the percentage of the population under 18 years old.

❐

State Rankings

Percent Change in Nonfarm Jobs
First Quarter 1990 - First Quarter 1991



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Electronic Bulletin Board Service

We are continuing to add data to our electronic bulletin board service! You can access employment, unemployment, affirmative action, and consumer/producer price indices at the touch of personal computer button. The service is free and can be accessed via a statewide "800" number. Contact Dwight Norris at (801) 533-2748 for more information.❐

Data Definitions

(f)—forecast.

(p)—preliminary.

(r)—revised.

Salt Lake/Ogden Metropolitan Statistical Area (MSA)—Salt Lake, Davis, and Weber counties.

Provo/Orem Metropolitan Statistical Area (MSA)—Utah County.

Employed Persons—Civilians who did any work as paid employees, worked more than 15 hours as unpaid workers in a family business, or were temporarily absent from work because of illness, bad weather, vacation, labor-management disputes. Each person is counted only once.

Unemployed Persons—Civilians who had no employment, were available for work, and made specific efforts to find work sometime during the prior four weeks. Persons waiting to be recalled to a job or waiting to report for a new job within 30 days need not be looking for work to be classified as unemployed.

Civilian Labor Force—Employed persons plus unemployed persons. Individuals are counted by place of residence.

Unemployment Rate—Unemployed persons as a percentage of the civilian labor force.

Nonfarm Employment—A count of jobs by place of work for the pay period including the 12th of the month. Excludes proprietors, the self-employed, unpaid/volunteer workers, military personnel, Central Intelligence Agency employees, and employees of the National Security Agency. Includes salaried officers of corporations.

Production and Related Workers—Includes working supervisors and all nonsupervisory workers closely associated with the production process.

Average Weekly Hours—The average hours for which pay was received during the pay period including the 12th of the month. Includes paid holidays, vacations, and sick leave.

Average Weekly Earnings—Includes hourly and incentive pay and is reported before deductions. Includes pay for overtime, holidays, vacation, and sick leave.

Initial Claims—Request by an individual following a period of unemployment to determine entitlement to compensation under unemployment insurance laws .

Weeks Claimed—Requests for weekly unemployment insurance benefits filed by claimants.

Insured Unemployment Rate—The ratio of (1) the number of weeks claimed by individuals under the unemployment compensation program to (2) average employment covered by the program.

Reserve Fund Balance—Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Utah Labor Market Report

Floyd G. Astin, Administrator

William R. Horner, Director, Labor Market Information Services

Lecia Parks Langston, Chief Economist

The Utah Labor Market Report is published by the Labor Market Information Services Division of the Utah Department of Employment Security, 174 Social Hall Avenue, Salt Lake City, Utah. To order this publication, call (801) 533-2293.

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